FACTORS AFFECTING PROCUREMENT PROCESS IN ORGANIZATIONS
(A CASE STUDY OF BRITISH AMERICAN TOBACCO)

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DECLARATION

This research project is my own original work and has never been submitted for an award of diploma in any other university.

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This research project has been presented with my approval as the student’s supervisor.

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ABSTRACT

The purpose of the study was to establish the factors that affect procurement process in the British American Tobacco organization. The study was guided by the four research objectives. Research objective one sought to investigate the effects of transport and distribution in the procurement process, objective two sought to access how ICT adoption influences procurement process, objective three sought to establish how ethics influences procurement process while research objective four sought to determine how accountability influences procurement process in the British American Tobacco organization. The study employed a descriptive survey target population for the study included all 373 employees in the British American Tobacco organization.

Findings revealed that the majority 53.5% of employee indicated that measurement of goals and results affects procurement process of supplies in the organization at a great extent. The study also found out that justification or explanation of goals results to internal or external monitors affects procurement process of supplies at a great extent. Majority 53.5% of employees indicated that punishment or sanctions for non-performance or corrupt behavior affects procurement process of supplies in the organization to a great extent. Majority 54.9% of employees agreed that manufacturing sectors must utilize ICT in order to enhance the procurement processes in the manufacturing sector. The study further found out that ICT adoption affects procurement of supplies in the manufacturing sector at a great extent as indicated by 46.5% of employees indicated. On the effects of ethics on procurement process, the study found out that ethics affect procurement of supplies in the manufacturing sector at a great extent. Data further shows that majority of employees strongly agreed that separation of key internal functions contributes to professionalism, accountability and an efficient procurement system. Based on the findings the study concluded that accountability affects procurement process of supplies in the organization to a great extent. Measurement of goals and results affects procurement process of supplies in the organization affects the process at a great extent. On the ICT adoption and procurement process, the study concluded that manufacturing sectors must utilize ICT in order to enhance the procurement processes in the sector because ICT adoption affects procurement of supplies in the manufacturing sector at a great extent. The study further concluded that firms are expected to provide excellent service to their constituents in an effective and transparent manner. The study also found concluded that manufacturing firms were implementing scalable communication infrastructures to promote economic development. On the Ethics and procurement process, the study concluded that ethics affect procurement of supplies in the manufacturing sector at a great. Regular reviews or audits of procurement processes can be done to ensure probity is being considered and achieved. The study mainly concluded that budgeting affects procurement of supplies in the manufacturing sector at a very great extent. The administration was responsible in budgeting process in the organization as shown by employee.

Based on the findings the following it was recommended that organization to adapt multi channel distribution system this is where a single firm sets two or more marketing channels to reach one or more customer segments, this is due to organizations large and complex markets. Since Procurement is a highly skilled profession that requires well trained people, both the public and private sectors need people who can manage the supply of strategic goods or works to their organization and administration. Since the research was to establish the factors that affect procurement process in the manufacturing industry, further studies should be conducted on the evaluation of factors influencing effective procurement management system of public organisations.